

Instructions for Underwritten Title Company Data Call
California Department of Insurance
August 22, 2005

General Instructions

Please provide the information requested in the specified format by no later than **October 21, 2005**.

Please submit Tables 1 and 2 as a spreadsheet file using the templates provided by the Department. If your response to Table 2 requires more rows or records than fit into a spreadsheet, please submit Table 2 in either a Microsoft Access-compatible database or a comma-delimited text file. Comma-delimited text file means that each record is a separate row and each data element is separated (delimited) by a comma. Text entries are identified with quotation marks. If submitting Table 2 as either a database or text file, please use the layout in the Table 2 spreadsheet template provided by the Department.

If possible, please submit the supplemental information in electronic format as a spreadsheet file, Adobe PDF file, Microsoft Word-compatible file or text file format. You may submit the supplemental information in paper format.

The Department prefers to receive your response via e-mail with attachments. If you e-mail the requested information, please use the following e-mail address: rsb@insurance.ca.gov. If you e-mail your submission, the Department will confirm receipt by e-mail.

You may mail your responses on a CD-ROM to the Rate Specialist Bureau at the address below.

The mailing address is:

Rate Specialist Bureau
California Department of Insurance
300 S. Spring Street, South Tower, 14th Floor
Los Angeles, CA 90013

If you have questions about the data call, please submit the questions by e-mail using the same e-mail address rsb@insurance.ca.gov for submissions. The Department will post the complete data call documents on its web site at the following address:

<http://www.insurance.ca.gov/>

Information Requested

UTC - Table 1: List of Business Activity by Source and Type of Transaction

In Table 1, the Department requests a report of title and escrow activity by source and type of transaction.

| | | |
|------------|---------------------------------|--|
| Column 1: | Name of UTC | Report the complete name of the underwritten title company |
| Column 2: | County | Report the name of the county whose activity is being reported. |
| Column 3: | Type of Title Order Transaction | Report 1 for a new home sale other than in a subdivision or any residential resale; 2 for a new home sale only in a subdivision; 3 for a residential refinance; 4 for any other residential transaction; and 5 for all commercial and industrial activity. |
| Column 4: | Source of Title Order | Report the name of the source of the title order. California Insurance Code Section 12397.5(a) requires UTCs to maintain this information. |
| Column 5: | Affiliated Source | Report 1 (one) if the source of the title order is affiliated to the UTC and 0 (zero) if not |
| Column 6: | Title Orders Opened | Report the number of title orders opened in 2004 for this combination of county, type and source of title orders. |
| Column 7: | Title Orders Closed | Report the number of title orders closed in 2004 for this combination of county, type and source of title orders. |
| Column 8: | Title Orders Cancelled | Report the number of title orders cancelled in 2004 for this combination of county, type and source of title orders. |
| Column 9: | Escrow Orders Opened | Report the number of escrow orders opened in 2004 for this combination of county, type and source of escrow orders. * |
| Column 10: | Escrow Orders Closed | Report the number of escrow orders closed in 2004 for this combination of county, type and source of escrow orders. * |
| Column 11: | Escrow Orders Cancelled | Report the number of escrow orders cancelled in 2004 for this combination of county, type and source of escrow orders. * |

* On escrow data fields, Type and Source refer to the Type of transaction in column 3 and the Source of the transaction in column 4. If there are escrow orders with no corresponding title orders or vice versa, then report a Type and Source of order and leave the title blank and report escrow only, or vice versa.

UTC - Table 2: Personnel Expenses

In Table 2, the Department requests a report of personnel expenses **incurred** for your underwritten title company for 2004 broken out by major category of activity. Please use the activity categories in the following list:

Codes # Description

1. Title Search / Examination – This activity includes acquisition of title and related documents from a title plant or other information source, examination and analysis of the documents and underwriting.
2. Title Plant Maintenance – This activity includes physical maintenance of a back plant and physical maintenance and updates to the current plant. This activity includes maintenance of databases and information for title and title-related documents.
3. Title Policy Issuance – This activity includes preparation and issuance of the title policy and related documents and maintenance of customer information.

4. Title Claims – This activity includes intake, processing and settling of title insurance claims.
5. General Management – This activity includes general management of the UTC. Do not include managers of activities specifically identified in this list. Those managers should be included with the functional activity they manage. For example, include a general counsel in this category, but do not include a lawyer dedicated to settling claims. Include human resources in the category. Include general information technology in this category – computer and network installation, maintenance and support not otherwise assigned to a separate functional category. Include any personnel devoted to developing and maintaining hardware and software for electronic access to title plant information in the Title Plant Maintenance category.
6. Customer Support – This activity includes answering questions and providing information to the UTC's customers or members of the public, outside of formal title search and examination and claims settlement activities.
7. Sales – This activity includes sales, business promotion and solicitation.
8. Escrow Other Than Closing – This activity includes all escrow activity other than the actual closing of the real estate transaction.
9. Escrow Closing – This activity includes the actual closing of the real estate transaction.
10. Escrow Claims Settlement – This activity includes processing and settling escrow claims.
11. Other – If none of the above categories can be used, use this code and explain the activity. If there are two or more types of "Other" activities, use codes 12, 13 and 14, as necessary.

Please include all employees, temporary/contract workers and consultants in the following reporting format. If a worker is engaged in two or more of the categories listed, please estimate the percentage of the worker's time in each of the categories and allocate the worker's personnel costs on the basis of the time percentages. Please assign administrative and other support workers to the category or categories for which the workers provide the support.

| | | |
|-----------|------------------------------------|--|
| Column 1: | Name of UTC | Insert the complete name of the underwritten title company |
| Column 2: | CDI Activity Category | Please use one of the codes from the list above to describe activity being reported. |
| Column 3: | Description of "Other" | If Column 2 is a code for "Other," please provide a name and description of the activity category. |
| Column 4: | Total Full Time Equivalent Workers | Please report the total number of full-time equivalent employees, temporary/contract workers and consultants for this category in 2004. An employee who is engaged in each of two activity categories for 50% of her time would be a 0.5 full-time equivalent in each activity category. An employee who worked in one activity for only three months of the year would be a 0.25 full-time equivalent |
| Column 5: | Salary | Report the aggregate salary incurred for this activity in 2004. If a worker engaged in more than one activity, calculate the amount for that individual worker by multiplying the total salary incurred for this individual for the year by the fraction of his/her time worked in this category that was used to calculate the amount reported in Column 4. |
| Column 6: | Commission | Report the aggregate commission incurred for this activity in 2004. If a worker engaged in more than one activity, calculate the amount for that individual worker by multiplying the total commission incurred for this individual for the year by the fraction of his/her time worked in this category that was used to calculate the amount reported in Column 4... |
| Column 7: | Bonus | Report the aggregate bonuses incurred for this activity in 2004. If a worker engaged in more than one activity, calculate the amount for individual workers by multiplying the total bonus incurred for this individual for the year by the fraction of his/her time worked in this category that was used to calculate the amount reported in Column 4. Include in the bonus category any amounts incurred as dividends to owners who are also employees of, or consultants to, the UTC. |
| Column 8: | Employee Relations and Welfare | Report the aggregate benefits incurred to workers for this activity in 2004. If a workers engaged in more than one activity, calculate the amount for individual workers by multiplying the total benefits incurred for this individual for the year by the fraction of his/her time worked in this category that was used to calculate the amount reported in Column 4. |

Supplemental Information to accompany Table 2

1. An organizational chart for your UTC that identifies the activity categories that your UTC uses.
2. For each activity category in your organizational chart, please provide the total number of full-time equivalent workers – employees, temporary/contract workers and consultants – and the total personnel costs for that activity category;

3. A description of the criteria and calculation of commissions and bonuses for individuals receiving a commission and/or bonus.
4. A list of the agencies you use for temporary / contract workers and the major type of worker from that agency – administrative support, title, escrow, etc.